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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/634,504	08/05/2003	David J. Alverson	0131-1	8679

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EXAMINER
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CHOI, PETER H

ART UNIT	PAPER NUMBER
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3623

MAIL DATE	DELIVERY MODE
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09/08/2008

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b>		<b>Applicant(s)</b>	
	10/634,504		ALVERSON ET AL.	
	<b>Examiner</b>		<b>Art Unit</b>	
	PETER CHOI		3623	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 11 March 2008.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1,2 and 4-13 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,2 and 4-13 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

### **DETAILED ACTION**

1. In view of the Appeal Brief filed on March 11, 2008, PROSECUTION IS HEREBY REOPENED. A new ground of rejection is set forth below.

To avoid abandonment of the application, appellant must exercise one of the following two options:

(1) file a reply under 37 CFR 1.111 (if this Office action is non-final) or a reply under 37 CFR 1.113 (if this Office action is final); or,

(2) initiate a new appeal by filing a notice of appeal under 37 CFR 41.31 followed by an appeal brief under 37 CFR 41.37. The previously paid notice of appeal fee and appeal brief fee can be applied to the new appeal. If, however, the appeal fees set forth in 37 CFR 41.20 have been increased since they were previously paid, then appellant must pay the difference between the increased fees and the amount previously paid.

A Supervisory Patent Examiner (SPE) has approved of reopening prosecution by signing below:

/Beth V. Boswell/

Supervisory Patent Examiner, Art Unit 3623

2. The following is a first office action upon examination of application number 10/634,504. Claims 1, 2, and 4-13 are pending in the application and have been examined on the merits discussed below.

***Response to Arguments***

3. Applicant's arguments filed March 11, 2008 have been fully considered but they are not persuasive.

4. Applicant argues that Aycock et al. does not permit assessment of a building contractor's business by a third party for predicated risk rankings for securing lines of credit.

The Examiner respectfully disagrees. The Examiner notes that the Applicant has argued limitations beyond the scope of the claimed invention; specifically, limitation (a) is directed towards "survey means comprising a questionnaire, which is provided to selected candidates within different organizational levels of a building contractor's business for gathering answers concerning information detailing business and financial practices". The fact that said survey answers are "used for assessing business and financial practices... by an independent third party" and that the financial practices are "used to predicate risk ranking when securing lines of credit for said contractor's business" are intended uses of the claimed invention. The claimed invention is directed towards, as evidenced by the preamble, contractor certification, and not securing lines of credit. The claimed invention is not directed towards obtaining lines of credit for a contractor; rather, the claimed invention provides a contractor certification, which may be used by an independent third party to secure lines of credit from a financial

institution. This assertion is supported by the Applicant's own disclosure: "A report is then issued, together with contractor certification. This document provides adequate data for financial institutions to provide lines of credit for the contractor, and the institutions are better informed of the degree of risk" [Page 15, lines 1-3].

Further, the Examiner further notes that the role of the independent third party is limited to assessing survey answers; the independent third party is not disclosed as performing the remaining steps of the certification "system", nor is the independent third party disclosed as being responsible securing lines of credit for the contractor. Any statement regarding the potential use of the "survey means" is deemed to be directed towards an intended use of the claimed invention and is not held as an actual limitation; thus, Aycock et al. need not teach the step of securing lines of credit to teach the claimed limitation of (a) "survey means...".

As presented by in the previous Office Action, GuruNet is directed towards evaluating the financial status of a company, by evaluating the company's ability to pay bills and collect receivables on time, maintaining solid cash flows, cost efficiency through minimization of waste and costs, use of detailed budgets, utilization of all possible sources of capital, accuracy in project/case/job costing/estimation methods, relationships with bankers, successful evaluation of credit risks, minimization of bad debts, etc. [see Retail Evaluation statements 72-74, 76-89, and 127, Manufacturing Evaluation statements 57-68, and 123, Wholesale Evaluation Statements 67-83 and

126, Service Evaluation Statements 71-85, 98-100 and 138]. Furthermore, the Applicant has not specified the level of evaluations deemed to be “necessary” to predicate risk ranking in securing lines of credit. The claim language merely cites that the assessment of financial practices is used, which is satisfied by the teachings of GuruNet.

The Examiner asserts that Aycock et al. does indeed permit assessment of a contractor's business by a third party (**Vendor qualification typically involves the process of a purchasing agent identifying a set of technical requirements that need to be met, compiling the technical requirements into a request for proposal or a request for quotation that is disseminated to various suppliers, receiving and evaluating the RFP/RFQ responses from the supplier.... The purchasing agent may be... an independent agent acting on behalf of the buying entity**) [Column 1, lines 45-56], thereby meeting the limitation of the claim.

5. Applicant argues that the “Examiner’s lumping of building contractors as being encompassed with vendors, suppliers, etc. is misplaced as those skilled in the arts of building and lending to building contractors is a highly construction oriented skill specialty that is very different from that of vendors, suppliers, government contracts”.

The Examiner respectfully disagrees. The Examiner notes that a contractor is one that agrees to furnish materials or perform services at a specified price. As cited in the previous Office Action, the term “contractor” encompasses various types of

contractors, such as vendors, suppliers, building contractors, etc. The Examiner asserts that the term “building contractor” would encompass the vendors and suppliers of building materials, and the workers that actually perform the building construction work. The Examiner further asserts that one of ordinary skill in the arts of building would understand “contractor” to apply both to contractors that provide supplies and to contractors that perform the construction. As cited in the previous Office Action, the Examiner asserts that an artisan of ordinary skill in the art would have looked to apply the teachings of Aycock et al. towards the certification of any type of contractor, including building contractors. Further, the Examiner notes that the evaluation of contractors consists of obtaining information about the business and financial practices, elements that are applicable to contractors in any field of endeavor, whether it is building construction, logistics, manufacturing, etc.

6. Applicant argues that Aycock et al. does not provide the financial assessment necessary for surety lending.

The Examiner respectfully disagrees. As noted above, the Examiner notes that the Applicant has argued limitations beyond the scope of the claimed invention; specifically, limitation (a) is directed towards “survey means comprising a questionnaire, which is provided to selected candidates within different organizational levels of a building contractor’s business for gathering answers concerning information detailing business and financial practices” and not towards performing a financial assessment

necessary for surety lending. The fact that said survey answers regarding financial practices are “used to predicate risk ranking when securing lines of credit for said contractor’s business” is an intended use of the claimed invention. Using answers to predicate risk ranking is indicative of comparison or assessment of the contractor, and not a part of the survey administration.

The Examiner notes that limitation (d) only performs on-location assessment for observing/verifying the answers to the survey, and limitation (e) assesses business and financial practices, but that the claimed invention does not explicitly cite the step of performing the financial assessment necessary for surety lending. Although the contractor certification resulting from the claimed invention may be used in this way, this limitation is not required to teach the claimed invention. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., providing the financial assessment necessary for surety lending) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The claimed invention is directed towards, as evidenced by the preamble, contractor certification, and not securing lines of credit. The claimed invention is not directed towards obtaining lines of credit for a contractor; rather, the claimed invention



provides a contractor certification, which may be used by an independent third party to secure lines of credit from a financial institution; thus, Aycock et al. need not teach the step of performing the financial assessment necessary for surety lending.

Further, the Examiner notes that Aycock et al. was not asserted as having taught the step of assessing the financial practices of the contractor. In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

7. Applicant argues that the combination of Aycock et al., GuruNet, Bladen et al. and The Utah Research Handbook do not teach assessment means for determining the business and financial practices of a contractor's practices, comprising management structure, reported structure, internal communications procedures, safety and labor management practices, current projects, funding, gross margins and close out procedures.

The Examiner respectfully disagrees. As cited in the previous Office Action, GuruNet is deemed to assess certain business and financial practices of the contractor, specifically, management structure, reporting structure, internal communication

procedures, safety and labor management practices, current projects, funding, and gross margins, and The Utah Research Handbook discloses close out procedures.

8. Applicant argues that the statements provided by GuruNet do not provide the type of in-depth information to which a surety would rely upon in extending credit. The Applicant further argues that these statements are only probative as subjective questions and are vague, as they merely assist a business owner in finding weakness and could not possibly utilize answers to such questions to base a multi-million dollar loan upon, and that any combination of Aycock et al. and GuruNet would not yield a system that provides an accurate, concise, in-depth assessment of a building contractor's business which a surety would rely upon.

The Examiner respectfully disagrees. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., providing accurate, concise, in-depth assessment) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The Examiner notes that the Applicant's argument extends beyond the scope of the claimed invention; specifically, the survey means of limitation (a) simply cites a questionnaire used to gather information detailing the business and financial practices

of the contractor. There is no mention regarding how detailed or specific the questionnaire is, other than a limitation in claim 2 that the questions are non-threatening. The Examiner further notes that using the responses to the questions to base a multi-million dollar loan is an intended use or application of the claimed invention, and further that it is the certification of the contractor (that results from the claimed invention) and not the survey answers themselves that are used to secure loans from a surety institution. The Examiner notes that the vagueness of the GuruNet statement, as argued by the Applicant, do not preclude GuruNet from meeting limitation (a) of the claimed invention because it is indeed directed towards a questionnaire gathering information detailing the business and financial practices of the contractor. Thus, the Examiner asserts that GuruNet does indeed satisfy the limitation of the claimed invention.

9. Applicant argues that the Examiner's reliance on The Utah Research Handbook for teaching the step of assessing a contractor's close out procedures is misplaced because it does not involve a building contractor or builder but merely involves government contract awards and the University's handling of closeout procedures, which is not indicative of closeout procedures for building contractors.

The Examiner respectfully disagrees. The Utah Research Handbook outlines the closeout procedures required of contractors involved in a project. As noted above and in the previous Office Action, a contractor is one that agrees to furnish materials or

perform services at a specified price, and the term “contractor” encompasses various types of contractors, such as vendors, suppliers, building contractors, etc. Further, the Examiner notes that the closeout procedures are directed towards projects, which implies that the participation of the contractor is in a service (i.e., building, construction, etc.) providing capacity. Thus, the Examiner asserts that the reliance on The Utah Research handbook is not misplaced, and does indeed teach closeout procedures for contractors.

10. Applicant argues that the combination of Aycock et al., GuruNet, Bladen et al. and The Utah Research Handbook do not permit providing the survey to selected candidates within a building contractor’s business comprising workers, foremen, project managers, engineers, and principals. Specifically, Applicant argues that Aycock et al. provides surveys to different companies, and that GuruNet does not teach that the assessment statement be given to workers, foremen, project managers, engineers, and principals.

The Examiner respectfully disagrees. As noted by the Applicant, GuruNet sets forth that the statements be given to staff members. GuruNet teaches to distribute the appropriate list of questions to the staff of a company, which would include various levels of employees. The Examiner asserts that the staff of a company would comprise workers from a plurality of organizational levels (i.e., workers, supervisors, management, mid-management, upper-management, etc.); thus workers and

management alike would be given the list of questions for evaluation. The Examiner asserts that "staff members" of an organization encompasses workers, foremen, project managers, engineers and principals, and thus satisfies the limitation of the claim. Further, in Aycock et al., in order to submit a RFP/RFQ, appropriate information must be obtained from those who are knowledgeable with the operations of the contractor's business. Although Aycock et al. does not explicitly disclose the job title/role or organizational hierarchical position (workers, foremen, project manager, engineers, and principals) of survey recipients.

11. Applicant argues that the job title and role of participants vastly affects the structure and steps associated with conducting a survey vastly affects the function in the survey in that it uniquely provides a multifaceted survey approach that goes to the very core and intricacies of a business. The Applicant argues that requiring the survey to be given to such a wide demographic of the organization is a functional recitation that must be given patentable weight because it results in causing the questionnaire to function as a multifaceted assessment process.

The Examiner respectfully disagrees. The Examiner asserts that the identify or job title/role (i.e., worker, manager, engineer, etc.) of the participants does not impact the structure of the survey nor the manipulative steps associated with scoring the survey. For example, the survey is not customized based on the recipient (i.e., a worker receives a different survey than a manager or engineer), nor are the survey results of

one type of recipient weighted differently (i.e., more heavily) than the survey results of another type of recipient (i.e., the responses of a worker are given twice as much weight as the responses of a manager, etc.). As the surveys are neither customized based on the recipient nor evaluated differently based on the recipient, the stated goal of obtaining a representative and multifaceted assessment is achieved by providing the questionnaire to workers arbitrarily, as taught by GuruNet. The Examiner notes that the claimed invention provides surveys "to selected candidates within different organizational levels", but does not preclude "different organizational levels" from being directed towards different hierarchical levels or different divisions/areas of the contractor. The Examiner further notes that GuruNet provides a plurality of question to assess performance/practices with respect to retail, manufacturing, wholesale, and service, implicitly suggesting that the company being evaluated has at least the aforementioned "levels" or divisions, thereby teaching the limitation of the claim.

12. Applicant argues that the claimed invention goes beyond any system that would result from the combination of Aycock et al., GuruNet, Bladen et al., The Utah Research Handbook, and any current surety analysis because it unique combines performance evaluations by qualified individuals experienced in the construction industry with construction financial analysis, which is different from standard financial analysis because of evaluation of current work in process, including evaluation of future project profitability.

The Examiner respectfully disagrees. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., evaluation of current work in process, and the profitability of future projects) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

13. The Applicant further argues that determining financial analysis of contractors working process requires special skills and education on the part of the CPA as well as the analyst that are not "ordinary". The Applicant lastly argues that the job title and responsibility of the person interviewed is important because it affects the knowledge and technical capabilities as well as the authority to control or implement change on the project.

The Examiner respectfully disagrees. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., requiring special skills and education to be possessed by evaluators) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The Examiner notes that the claimed invention does not recite or require any special skills or education to be possessed by the evaluator performing the assessment of survey answers and on-location assessments. The Examiner further notes that, as evidenced by limitation (c), the survey answers are “mapped” to determine matches, discrepancies and inadequate details; it is unclear what special skills or education are required, or why the skills and education of one of “ordinary” skill in the art would be considered inadequate.

The Examiner asserts that the knowledge, technical capabilities and authority of the person interviewed is not of paramount concern in the claimed invention, as the interviewee’s authority does not affect the surveying, mapping, or assessment steps. Similarly, the skills and education of the interviewee appears to be beyond the scope of the claimed invention, as the survey is provided to candidates to provide information detailing the business and financial practices of a contractor; it is not apparent what skills or education are required of the interviewee in order to complete the survey given. Therefore, the claimed invention is deemed to rely upon the knowledge and skills of one of ordinary skill in the art to provide survey answers, as well as analyzing said answers.

14. Applicant argues that the teachings of Aycock et al., GuruNet, Bladen et al., and The Utah Research Handbook fail to teach a system that automatically incorporates on-location. The Applicant argues that Aycock et al. only provides for on-location



assessment based on contingencies and are not automatically appointed for carrying out. The Applicant argues that the on-location assessment means is not performed to verify and otherwise confirm the answers when the supplier's answers are incorrect, exaggerated, or otherwise misguided and the supplier is approved.

The Examiner respectfully disagrees. Although Aycock et al. only provides for on-location assessment on an as-needed basis, this does not preclude the fact that Aycock et al. does indeed teach the step of performing an on-location/onsite project site audit. Aycock et al. teaches that the on-site audit includes validating the supplier responses to the RFP/RFQ by performing tests and reviewing procedures and processes at the site [Column 8, lines 27-31].

In Aycock et al., the scoring of responses to the questionnaire is based on a predetermined "answer key" **(a response schedule may identify 10 possible items that may be identified in the supplier's response. In this case, the supplier receives a predetermined point value for each item identified in the supplier's response)** [Column 7, lines 7-10] and the adequacy of the response **(if a supplier answers "no", or does not provide a response, the supplier would receive a score of "0" for that particular maturity question)** [Column 6, lines 63-65]. The Examiner asserts that the supplier responses are compared by awarding points for correlating matches with the response schedule, discrepancies are not awarded any points, inadequate answers are given a score of "0" or not awarded any points, and based on

the maturity score, a decision is made regarding the necessity of an on-location assessment; thus, the on-location assessment of Aycock et al., is indeed utilized upon compiling questionnaire answers and correlating matches, discrepancies and inadequate information.

15. Applicant argues that the teachings of Aycock et al., GuruNet, Bladen et al., and The Utah Research Handbook fail to teach a system wherein comparison means for assessing business and financial practices, and ranking the contractor in comparison with industry standards.

The Examiner respectfully disagrees. The performance evaluation by Aycock et al. is based on a master set of supplier quality process maturity requirements, which may be drawn from ISO 9001, IEEE Std. 1074, DOD-STD 2167A, DOD-STD-2168, Bellcore documents TR-NWT-0001252, organizations such as International Organization for Standardization, Institute of Electrical and Electronic Engineers, Department of Defense, Underwriters Laboratory, ANSI, AT&T, Bellcore, private companies or recognized vendors [Column 5, lines 20-37, Column 9, lines 28-36]. This set of supplier quality process maturity requirements serve as a reference for all available maturity requirements for use in establishing quality maturity requirements for a specific project; in other words, they are the basis on which the contractor's practices are compared to in the evaluation/assessment process. Aycock et al. further teaches that certain maturity requirements have different levels of relevance to the project

objectives [Column 6, lines 17-19, 22-27, 37-49]. Each level has a different set of maturity requirements, and the ranking of the contractor's maturity is based on the respective maturity level requirements; thus, the contractor is "ranked" in comparison to industry standards. The Examiner asserts that these industry standards are used in every aspect of the contractor certification by Aycock et al., from developing and disseminating a RFP/RFQ (survey), evaluating responses and on-location audits, and assessing practices of the contractor, thereby meeting the limitation of the claim.

16. Applicant argues that the teachings of Aycock et al., GuruNet, Bladen et al., and The Utah Research Handbook fail to teach a system wherein reporting means comprising generation of a comparative report that provides a listing of key risk factors and highlights business and financial practices and risk factors of the contractor is provided.

The Examiner respectfully disagrees. Aycock et al. teaches the step of performing a competitive analysis of all vendors to determine the respective performance of a specific vendor [Column 9, line 59 - Column 10, line 17], and also teaches on-site audit/evaluation reports that record the results of the on-site audit [Column 8, lines 31-33]. In light of the fact that the on-site audit validates the supplier responses to the RFP/RFQ by performing tests and/or reviewing procedures and processes at the site, the Examiner asserts that the on-site audit reports provide comparative information on the practices of the contractor with respect to key risk

factors (i.e., the technical requirements and/or industry standards used to evaluate the contractor). Further, storing the responses of the survey collected by the proposed Aycock-GuruNet combination would also provide information on the business and financial practices and risk factors of a contractor.

17. Applicant argues that any information collected by the statements taught by GuruNet would not be substantial enough or function to render information for which a surety can rely upon. The Applicant asserts that the questions merely provide blanket statements and do not render detailed answers. Applicant argues that GuruNet does not teach listing of key risk factors comprising operational structure, marketing of new projects, current projects, details of project execution, safety procedures, statutory compliance, project administration, mediation/arbitration procedures and past litigation. Applicant further argues that GuruNet will not provide the lender with dynamic information (financial or operational) that reduces or affects the risk or its analysis parameters.

The Examiner respectfully disagrees. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., obtaining detailed answers to the survey on which a surety can rely upon) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are

not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

As explained above, the claimed invention does not specify how in-depth the questions are, nor the required depth of the answers. The Examiner again notes that a surety institution utilizes the contactor certification (that results from application of the claimed invention); in other words, the overall assessment is used, not solely the response to the survey questions. Further, the Examiner asserts that simply listing the topics of the survey questions (i.e., operational structure, marketing of projects, etc.) does not inherently provide detailed answers. For example, a question such as "Does your company have an established set of safety procedures" does not render detailed answers, yet meets the limitation of the claim. Similarly, the questions "What are the safety procedures employed by your organization" or "Does your organization utilize the safety procedures set forth by Directive Alpha Beta" or "Are the safety procedures of your organization in compliance with OSHA rules and regulations regarding chemical waste" may also render more detailed answers while meeting the limitation of the claim.

Lastly, the Examiner notes that, as per limitation (a), the survey questionnaire obtains information comprising management structure, reporting structure, internal communications procedures, safety and labor management practices, current projects, funding, gross margins and close out procedures, whereas the risk factors comprising the report of limitation (f) includes operational structure, marketing of new projects,

current projects, details of project execution, safety procedures, statutory compliance, project administration, mediation/arbitration procedures and past litigation. It is unclear whether information for each of the risk factors of limitation (f) are collected in the survey questionnaire of limitation (a). It is unclear how the information collected from the survey maps to each of the risk factors of the report; for example, although it stands to reason that "safety and labor management practices" of the questionnaire map to the risk factor "safety procedures", it is unclear what information from the questionnaire is directed towards "past litigation".

18. Applicant argues that the combination of Aycock et al. with GuruNet would render Aycock et al. inoperable for its intended purpose because Aycock et al. is to be an objective analysis and GuruNet's statements are taught for subjective analysis. The Applicant further argues that the Examiner has not pointed to any reasonable motivation for changing the questions of Aycock et al., apart from hindsight afforded by the present application, and that the combination of Aycock et al. and GuruNet would not result in the level of questioning involved to assess a building contractor's financial and business practices for securing lines of credit. The Applicant argues that the motivation(s) proposed by the Examiner to combine Aycock et al. with GuruNet, Bladen et al., and The Utah Research Handbook are improper as being hindsight reconstruction.

The Examiner respectfully disagrees. Aycock et al. allows for self-assessment by the contractor (**The present invention also provides a supplier self-evaluation**

**system that enables a supplier to more efficiently respond to a request for proposal. According to the present invention, a supplier self-evaluation system enables a supplier to perform a self-evaluation and verification with respect to project requirements, and enables a supplier to generate a supplier response)**

[Column 4, lines 7-13], which is consistent with the self-assessment taught by GuruNet.

Thus, there is no requirement for a reconstruction or redesign of the evaluation or basic principle under which Aycock et al. was designed to operate.

19. Applicant argues that the statements in GuruNet are not derived from known standards and are not derived from buyer requirements for given projects, but are mere statements that do not elicit information needed to establish a supplier's ability to be a vendor, much less the ability to predicate surety risk.

The Examiner respectfully disagrees. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., the survey questions are derived from known standards or requirements) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

20. Applicant argues that the evaluation system of Aycock et al., as well as the statement in GuruNet, the computer program product of Bladen et al., and the government contract synopsis of The Utah Research Handbook are so disparate that a skilled artisan would not be motivated to consider the Fisher et al. disclosure as pertinent to the particular problems of surety lending to building contractors.

The Examiner notes that there is no Fisher et al. disclosure on record. Further, in response to applicant's argument that the teachings of Aycock et al., GuruNet, Bladen et al. and The Utah Research Handbook are too disparate for a skilled artisan to consider the combined disclosure as pertinent to surety lending to building contractors, the test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981).

21. Applicant argues that Aycock et al. does not teach or suggest a database that stores a compilation of business and financial risk data derived from contractors.

The Examiner respectfully disagrees. As noted in the previous Office Action, Aycock et al. retrieves existing and historical vendor performance and on-site audit reports [Column 9, lines 38-57]. In fact, this information is stored within a database



system **(a second database system storing supplier information including existing vendor performance reports, historical vendor performance reports, supplier responses, to project proposals, and audit reports generated during on-site evaluations of the supplier in accordance with selected quality maturity requirements; a vendor database storing existing vendor performance reports, historical vendor performance reports and prior on-site audit reports, a product database identifying product performance and reliability for existing products supplied by existing and prior vendors)** [Claim 13, Column 3, lines 47-51].

22. Applicant's arguments, see page 43 of the Appeal Brief filed March 11, 2008, with respect to the rejection of limitation (d) of claim 1 under Bladen et al. have been fully considered and are persuasive. Specifically, the Applicant's argument that Bladen et al. does not teach on-location visiting of a building contractor's active job sites, but rather an audit system architecture wherein a client can have one or more sites, whose audit data can be accessed at all at once. Therefore, the rejection has been withdrawn. However, upon further consideration, a new ground(s) of rejection is made in view of Nielsen Environmental (reference 1-U).

23. Applicant's arguments, see pages 48-49 of the Appeal Brief filed March 11, 2008, with respect to the rejection of limitation (f) of claim 1 under Official Notice have been fully considered and are persuasive. Specifically, the Applicant argued that "past legal history" does not encompass current mediation/arbitration procedures. Therefore, the

rejection has been withdrawn. However, upon further consideration, a new ground(s) of rejection is made in view of reconsideration of GuruNet and the teachings of Yadav-Ranjan.

***Claim Rejections - 35 USC § 101***

24. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1, 2, and 4-13 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Under the statutory requirement of 35 U.S.C. § 101, a claimed invention must produce a useful, concrete, and tangible result. For a claim to be useful, it must yield a result that is specific, substantial, and credible (MPEP § 2107). A concrete result is one that is substantially repeatable, i.e., it produces substantially the same result over and over again (*In re Swartz*, 232 F.3d 862, 864, 56 USPQ2d 1703, 1704 (Fed. Cir. 2000)). In order to be tangible, a claimed invention must set forth a practical application that generates a real-world result, i.e., the claim must be more than a mere abstraction (*Benson*, 409 U.S. at 71-72, 175 USPQ at 676-77). (Please refer to the “Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility” for further explanation of the statutory requirement of 35 U.S.C. § 101.)

Claim 1, as currently written, claims coverage of a human as an element of the system/apparatus per se. Since the broadest reasonable interpretation of the claimed invention as a whole encompasses a human being, the claimed invention is directed to non-statutory subject matter. See MPEP § 2105. Specifically, limitation (b) is directed towards "said selected candidates comprising workers, foremen, project managers, engineers, and principals".

Claim 1, as currently written, is disclosed as a system while reciting a plurality of method/process steps. However, claim 1 lacks the requisite system structure; there is no combination of computer hardware and software. Therefore, the plurality of "means" is interpreted to be software per se, which is non-statutory.

A software program not embodied on computer-readable or computer-executable medium is software per se. Software, programming, instructions or code not claimed as embodied in computer-readable media are descriptive material per se and are not statutory because they are not capable of causing functional change in a computer. When such descriptive material is recorded on some computer-readable medium it becomes structurally and functionally interrelated to the medium and will be statutory in most cases. Claim 1 does not utilize the proper computer program format and effectively recite descriptive material (software) per se. Claim 1 is therefore deemed to be directed to non-statutory subject matter where there is no indication that the

proposed software is recorded on computer-readable medium and/or capable of execution by a computer.

Furthermore, software, programming, instructions or code not claimed as being computer executable are not statutory because they are not capable of causing functional change in a computer. In contrast, when a claimed computer-readable medium encoded with a computer program defines structural and functional interrelationships between the computer and the program, and the computer is capable of executing the program, allowing the program's functionality to be realized, the program will be statutory.

As noted above, a concrete result is one that is substantially repeatable, i.e., it produces substantially the same result over and over again. Regarding a concrete result, one must assess if the claimed invention yields a result that is substantially repeatable. Claims that recite subjective and purely cognitive processes require special attention when evaluating whether results are substantially repeatable due to the fact that practice of the claimed invention could vary greatly depending on the person practicing the invention. Human judgment is significantly affected by one's personal and unique experiences. In the instant invention, the "comparison means for assessing business and financial practices" is deemed to be a subjective practice, because, although it is "based on" survey answers and on-location assessment, it is unclear how the survey answers and on-location assessment are used in the comparison and

assessment of a contractor's practices. For example, there is no quantitative score, analysis or evaluation that results from the received survey answers or on-location assessment. Therefore, the claimed invention lacks concreteness since the practice of the invention is solely dependent on the subjectivity of a human user, which varies from person to person. In other words, the outcome of the practice of the claimed invention is not substantially repeatable as different contractors are evaluated, since the claimed invention of evaluating contractors is completely dependent on factors that could yield a significantly altered result every time the invention is repeated.

Claims 2 and 4-13 are dependent on claim 1, and thus are also rejected.

***Claim Rejections - 35 USC § 112***

25. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

26. Claims 1,2 and 4-13 are rejected under 35 U.S.C. 112, first paragraph, as based on a disclosure which is not enabling. Subject matter critical or essential to the practice of the invention, but not included in the claim(s) is not enabled by the disclosure. See *In re Mayhew*, 527 F.2d 1229, 188 USPQ 356 (CCPA 1976).

The claimed invention recites a "mapping means" for examining and correlating answers, as well as "comparison means" for assessing business and financial practices.

The disclosure does not specify how the answers are valued and used to "assess" business and financial practices. The specification merely discloses that "the Technical Evaluators study each answer to the questions, and derive there from a framework of directions that probe within the operations and financial practices of the contractor" [Page 16, lines 18-21] and that "the Technical Evaluators... examine the details of the answers and correlate them to determine clear matches, clear discrepancies and inadequate details" [Page 19, lines 1-3]. Thus, it appears that the "comparison means" is limited to subjectively reviewing survey answers with respect to completion and not content. The metes and bounds of the "comparison means" are therefore unclear because the results of these comparisons and assessments are based on the complete subjectivity of a human user (i.e., the Technical Evaluators). The specification does not provide adequate written disclosure to enable an artisan of ordinary skill in the art to make and/or use the invention as intended by the Applicant since the invention could be utilized differently by each human user in light of differences in subjectivity among humans.

Further, the metes and bounds of the "on-location assessment means" is unclear because the observation of the contractor's business practices and financial procedures seems to be subjective; in other words, there is no quantitative scoring performed based on observed practices and procedures. Therefore, the "comparison means" and ranking of the contractor are based on subjective evaluations. The reliance on a plurality of subjective measures renders the claimed invention. Thus, one of ordinary skill in the

art would not be enabled to make, practice or use the claimed invention without undue experimentation.

Claims 2 and 4-13 are dependent on claim 1 and thus are also rejected.

27. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

28. Claims 1,2 and 4-13 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The second paragraph of 35 USC 112 requires a claim to particularly point out and distinctly claim the subject matter which the appellant regards as his invention. However, the "invention" referred to in the second paragraph of 35 USC 112 is also subject to the requirements of 35 USC 101. This section of the statute requires that in order to be patentable the invention must be a "new and useful process, machine, manufacture, *or* composition of matter, *or* any new and useful improvement thereof" A claim intended to embrace or overlap *two* different statutory classes of invention set forth in 35 USC 101 is precluded by the express language of 35 USC 101 which is drafted so as to set forth the statutory classes of invention in the alternative only. A single claim which purposes to be both a product or machine and a process is ambiguous and is properly rejected under 35 USC 112, second paragraph, for failing to

particularly point out and distinctly claim the invention. *Ex parte Lyell*, USPQ. 2d (Board of Patent Appeals and Interferences) 1548, 1551. A single claim which claims both an apparatus and the method steps of using the apparatus is indefinite under 35 U.S.C. 112, second paragraph. In *Ex parte Lyell*, 17 USPQ2d 1548 (Bd. Pat. App. & Inter. 1990).

As stated above, the claimed invention is directed to a system, but recites a plurality of method/process claims. Therefore, it is unclear what statutory class of invention the claimed invention is directed towards.

As noted above, the claimed invention recites a plurality of "means for" surveying, mapping, on-location assessment, comparison, and reporting. The cited "means for" are not modified by sufficient structure, material or acts for achieving the specified function. Further, the specification does not disclose the structure that enables the "means for" achieving the specified functions; therefore, it is unclear that one skilled in the art would have known what structure, material, or acts perform the functions recited by the "means", thereby rendering the claim indefinite because without knowing the particular structure, material or acts to perform the "means for" functions, the scope of the claimed invention cannot be determined.

Limitation (a) of claim 1 sets forth that a questionnaire is provided to selected candidates "within different organizational levels" of a contractor. However, it is unclear



whether "different organizational levels" is directed towards the organizational hierarchy (i.e., worker, manager, management, CEO, etc.) or different organizational groups/divisions (i.e., accounting division, marketing division, production/manufacturing division, etc.). For examination purposes whilst employing the broadest reasonable interpretation, both possibilities are equally applicable. Clarification is required.

Limitation (c) of claim 1 sets forth that survey answers are examined to determine matches, discrepancies and inadequate details. However, it is unclear what the answers are compared to in order to determine what is a match, what is a discrepancy, and what constitutes inadequate details. For example, is checking the survey for completion (i.e., is every question answered?) the scope of "inadequate details"? In another example, are the answers mapped to a set of expected or acceptable range of responses to determine matches? Are the answers mapped to a historical set of responses to determine discrepancies? It is unclear that one skilled in the art would have known how to study the answers provided in the questionnaire to determine matches, discrepancies and inadequate details, thereby rendering the claim indefinite because without knowing the particular structure, standards or methodology used to perform the "mapping means", the scope of the claimed invention cannot be determined. Clarification is required.

Further regarding claim 1, as per limitation (a), the survey questionnaire obtains information comprising management structure, reporting structure, internal

communications procedures, safety and labor management practices, current projects, funding, gross margins and close out procedures, whereas the risk factors comprising the report of limitation (f) includes operational structure, marketing of new projects, current projects, details of project execution, safety procedures, statutory compliance, project administration, mediation/arbitration procedures and past litigation. It is unclear whether information for each of the risk factors of limitation (f) are collected in the survey questionnaire of limitation (a). It is unclear how the information collected from the survey maps to each of the risk factors of the report; for example, although it stands to reason that "safety and labor management practices" of the questionnaire map to the risk factor "safety procedures", it is unclear what information from the questionnaire is directed towards "past litigation". Clarification is required.

Claims 2 and 4-13 are dependent on claim 1 and thus are also rejected.

#### ***Official Notice***

29. Although the following instances of Official Notice have already been admitted as prior art and are no longer being applied in the rejection of the claims, in an effort to make the record clear, the Examiner presents that:

In the previous Office Action mailed April 5, 2006, notice was taken by the Examiner that certain subject matter is old and well known in the art. Specifically, it has been taken as prior art that:

- The surety underwriting process involves the analysis of financial, credit, and organizational capabilities of an organization, with substantial attention paid towards reviewing the contractor's business plan, history of operations, and evaluating the management of the company, with much emphasis being placed on financial strength and past performance of the contractor.

In the previous Office Action mailed December 7, 2004, notice was taken by the Examiner that certain subject matter is old and well known in the art. Specifically, it has been taken as prior art that:

- It is old and well known in the art that results derived from a questionnaire or auditing process are quantifiable and therefore allows a number of statistical means, including graphs, to be used in an analysis or comparison
- It is old and well known in the art that graphical representations of data can be used as a method of comparison

### ***Claim Rejections - 35 USC § 103***

30. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

31. Claims 1, 2 4, 5, 7, 8, 9, 12 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Aycock et al.** (Patent No. #5,765,138) in view of GuruNet's "Business Evaluation Statements" (previously provided, herein referred to as **GuruNet**), further in view of the Award Expiration/Closeout section of the University of Utah Research Handbook (previously provided, herein referred to as **The Utah Research Handbook**) and "Field Team Audits" by The Nielson Environmental Field School (reference 1-U, herein referred to as **Nielsen Environmental**) and **Yadav-Ranjan** (US 2004/0059592).

As per claim 1, Aycock et al. teaches a contractor certification (supplier evaluation) system comprising:

(a) survey means comprising a questionnaire (**RFP/RFQ**), which is provided to selected candidates within a contractor's business (**providing the RFP/RFQ to a supplier and receiving the supplier responses**) {**the responses being prepared by some party within the contractor's organization**} for gathering answers concerning information detailing practices, said answers being used for assessing practices of said contractor by an independent third party (**the purchasing agent identifying the set of technical requirements that need to be met may be a contracting department of the buying entity, or an independent agent acting on behalf of the buying entity**) {**thus, the RFP/RFQ is based on the set of requirements of contractors identified by the independent agent in assessing the practices of vendor**}, [Column 1, lines 55-56, Column 5, lines 15-16, Column 6, lines 1-9];

(c) mapping means for studying said answers provided to said questionnaire to select job site visits and candidates for interviews **(after scoring the supplier responses, a supplier maturity level is calculated by correlating the score of each supplier response with the weighting value of the corresponding maturity question... it is then determined whether the supplier meets the minimum maturity level... if it is determined that an automatic approval of a supplier cannot be made, then an additional tier 2 analysis is performed namely performance of an on-site supplier audit to validate the supplier responses, and to gain any additional information necessary to complete the supplier selection process) {thus, job site visits are dependent on the mapping of answers with the maturity questions}** [Column 7, lines 14-65], said mapping means comprising examining and correlating said answers to determine matches, discrepancies and inadequate details **(if a supplier answers “no”, or does not provide a response, the supplier would receive a score of “0” for that particular maturity question; a response schedule may identify 10 possible items that may be identified in the supplier’s response. In this case, the supplier receives a predetermined point value for each item identified in the supplier’s response)** [Column 6, lines 63-65, Column 7, lines 7-10];

(d) on-location assessment **(on-site audit)** means for determining **(validating)** business practices at the contractor’s operations, said assessment means comprising asking questions to each of said candidates selected through said mapping means **(the RFP/RFQ questions are directed towards a set of technical requirements that need to be met by prospective vendors and towards a set of selected quality**

**maturity questions, thus the questions are based on a “mapping” of technical requirements; the questions are weighted corresponding to their relative sophistication or relevance to the project objective, thus the importance of the responses to the questions have been “mapped”**) and observing examples of the contractor’s business practices **(the on-site audit includes validating the supplier responses to the RFP/RFQ, either by performing actual tests on hardware equipment or software systems, and/or reviewing the quality control procedures and processes at the supplier site)** [Column 1, lines 45-49, Column 3, lines 24-29, Column 6, lines 19-54, Column 7, lines 62-65, Column 8, lines 27-31, Column 12, lines 47-50];

(e) comparison means **(risk assessment)** for assessing business practices **(technical capabilities)**, and ranking the contractor in comparison with industry standards **{The supplier quality maturity assessment process is based upon national and international standards including ISO 9001/ISO 9000-3, which are industry standards for quality}** [Column 8, lines 58-63]; and

(f) reporting means **(product database)** for providing a grade indicative of said contractor’s rank **(competitive analysis of all vendors to determine the respective performance)** [Column 9, lines 59-67 and Column 10, lines 1-17].

Although Aycock et al. is not explicitly directed towards building contractors, contractors encompass various types of contractors (i.e., vendors, suppliers, building contractors, etc.); thus, an artisan of ordinary skill in the art would look to apply the

teachings of Aycock et al. towards certifying specific types of contractors, such as building contractors.

Further regarding (a), Aycock et al. does not further explicitly disclose assessment means for determining the business and financial practices of a contractor's practices, comprising management structure, reporting structure, internal communications procedures, safety and labor management practices, current projects, funding, gross margins, and close out procedures.

However, GuruNet is directed to the analogous art of providing survey means for evaluating the business and financial practices of a company, said business practice information comprising management structure (**Questions 42, 43, 52-59, 102 of Retail, Questions 29, 30, 92 of Manufacturing, Questions 38, 39, 40, 41 of Wholesale, Questions 37-40, 107-110 of Service**), reporting structure (**Questions 44, 45, 118, 119 of Retail, Questions 36, 37 of Manufacturing**), internal communications procedures (**Questions 108, 109, 118, 119 of Retail, Questions 33, 116, 117 of Manufacturing, Questions 129, 130 of Service**), safety and labor management practices (**Questions 121, 123 of Retail, Questions 108, 119, 121 of Manufacturing, Questions 132-165 of Service**), and said financial practices of a contractor's operations comprising current projects (**Question 77 of Retail, Questions 60, 62 of Manufacturing, Questions 71, 74, 97 of Service**), funding (**Questions 76, 78 of**

**Retail, Question 72 of Wholesale, Questions 75, 76 of Service), gross margins (Question 87 of Retail).**

GuruNet teaches a set of assessment statements given to staff members of a company **(Consider distributing the appropriate list of questions to your staff, have them rate each statement on a scale of 1-10, tally up and average the scores, and determine which areas need the most improvement)** [Page 1] that can be used to evaluate the financial practices **(paying bills, collecting receivables, budget analysis, accounting systems, sources of capital, cost efficiency, minimization of costs, cash flow levels)** of a company [Retail Questions 72-74, 76-89, and 127, Manufacturing Questions 57-68, and 123, Wholesale Questions 67-83, and 126, Service Questions 71-85, 98-100 and 138].

Aycock et al. is directed towards evaluating the capabilities of potential vendors using on-site audits and questionnaires, while GuruNet is directed towards surveying staff to evaluate the capabilities of a company. Thus, both references relied upon by the Examiner are directed towards interactively evaluating the capabilities of a business.

Aycock et al. is directed towards evaluating the business practices of potential contractors, whereas GuruNet is applied to any generic business; thus, an artisan of ordinary skill in the art would look to glean the evaluation methods of GuruNet and Bladen et al. to modify Aycock et al. to yield a more comprehensive means of evaluating



the qualifications of potential contractors. Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the teachings of Aycock et al. to include the evaluatory statements directed towards business and financial practices presented by GuruNet, because doing so would allow Aycock et al. to evaluate the business and financial practices of a potential contractor, thereby yielding a more comprehensive means of evaluating the qualifications of potential contractors for certification.

The combined teachings of Aycock et al. and GuruNet do not explicitly teach the step of assessing a contractor's close out procedures.

However, the Utah Research Handbook teaches the use of closeout procedures **(Projects may require some or all of the following reporting: final technical, final financial, and property inventory for both purchased and government supplied equipment. A closeout may also require the submission of a final invoice and a "Contractor's Release")** [Paragraph 1].

Aycock et al. is directed towards evaluating the capabilities of potential vendors using on-site audits and questionnaires. GuruNet is directed towards surveying staff to evaluate the capabilities of a company. Similarly, The Utah Research Handbook outlines routine procedures expected of contractors. Thus, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the Aycock-GuruNet

combination to include closeout procedures as taught by the Utah Research Handbook in the assessment step, because disclosing technical and financial information regarding specific projects in evaluating the fiscal responsibility of contractors, enhances the ability of the Aycock-GuruNet combination to assess the business and financial practices of a contractor.

As per (b) providing a questionnaire to selected candidate comprising workers, foremen, project managers, engineers, and principals:

Aycock et al. and GuruNet provide for self-assessment of the practices of a contractor, but do not explicitly disclose the job title/role or organizational hierarchical position (e.g., workers, foremen, project manager, engineers, and principals) of survey recipients. However, the job title and/or role of survey participants do not affect the structure or manipulative steps associated with conducting a survey and therefore do not merit patentable weight. Furthermore, workers, foremen, project manager, engineer, and principal are all employees of an organization; thus, the distribution of surveys to employees of the contractor being evaluated in the teachings of Aycock et al. and GuruNet are deemed to satisfy the limitation of the claim.

As per limitation (d), the combined teachings of Aycock et al., GuruNet, and The Utah Research Handbook fail to teach the step of on-location assessments visiting several active job sites at which a contractor is involved.

However, Nielsen Environmental teaches conducting on-location assessment visits at several job sites at which a contractor is involved **(Some clients have multiple sites, and selecting which sites at which field audits should be conducted is dependent on which will meet the objectives of the audit. For audits in which field equipment is being evaluated, we select a combination of sites which will allow us to observe all relevant equipment in use. For audits in which compliance with requirements of different regulatory agencies is being evaluated, we select a combination of sites which include all of the different regulatory jurisdictions)** [Page 2].

Aycock et al. and Nielsen Environmental are both directed towards performing on-site field audits of an organization's practices and thus are deemed to be analogous arts; therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the teachings of the Aycock-GuruNet-Utah Research Handbook. to visit multiple job sites at which a contractor is involved, because doing so would allow the Aycock–GuruNet-Utah Research Handbook combination to provide a comprehensive evaluation of a contractor's practices at a plurality of sites at which said contractor is involved, thereby enhancing the ability of Aycock et al. to validate responses to survey questions by testing and observation [Column 3, lines 36-39, Column 8, lines 27-31].

Further, one of ordinary skill in the art would have recognized that performing on-site audits at multiple locations of a contractor would yield predictable results and resulted in an improved system. It would have been recognized that applying the technique of performing multiple on-site audits to the teachings of Aycock et al. would have yielded predictable results because the level of ordinary skill in the art demonstrated by the references applied shows the ability to perform on-site audits and repeating on-site audits as needed. Further, applying multiple on-site audits to the teachings of Aycock et al. would have been recognized by those of ordinary skill in the art as resulting in an improved system that would verify that the contractor abides by a uniform set of standards at all places of operation, thereby strengthening the validity of contractor assessments that rely upon on-site audits.

As per (f), Aycock et al. teaches receiving and storing contractor responses to a questionnaire **(The supplier interface enables a supplier to electronically download the RFP/RFQ, which may be in the form of an executable code or a protected data file. The supplier interface may also enable the supplier to electronically upload the supplier responses to the supplier evaluation system)** [Column 3, lines 64 – Column 4, line 2] and reporting means for providing reports on the practices of a contractor **(The on-site evaluation report is compared with the supplier maturity level to provide a combined supplier evaluation between the supplier responses and the supplier site evaluation; Upon completing the on-site audit report after analyzing the audit observations in step 46, the supplier processes are scored on**

**the basis of the ob-site audit report and the selected quality maturity**

**requirements from step 42)** [Column 3, lines 19-22, Column 8, lines 33-36], but does not explicitly teach a listing of key risk factors and highlights said business and financial practices and risk factors of said contractor in comparison of said risk factors, said risk factors comprising said operational structure, marketing of new projects, current projects, details of project execution, safety procedures, statutory compliance, project administration, mediation/arbitration procedures and past litigation.

However, GuruNet teaches the step of collecting information regarding operational structure (**Questions 42, 43, 52-59, 102 of Retail, Questions 29, 30, 92 of Manufacturing, Questions 38, 39, 40, 41 of Wholesale, Questions 37-40, 107-110 of Service**), marketing of new projects, current projects, details of project execution, details of project administration, safety procedures, project administration, and mediation/arbitration procedures (**including, but not limited to Questions 2, 3, 44, 45, 46, 47, 48, 51, 60, 108, 109, 112, 114, 115, 116, 119, 124, 132 and 135 of Retail relating to delegation of responsibilities and authority, the existence of standard written operating procedures, planning and implementation monitoring of activities, timely completion of operations and projects, marketing plans, cleanliness of working environments, conflict resolution, and discussion of new products, services and procedures; Questions 3, 7, 10, 15, 36, 37, 39, 108, 112, 113, 114 of Manufacturing, Questions 1-11, 13-14, 18, 25, 32 of Wholesale, etc.)** {cleanliness of work areas being relevant to worker safety, conflict avoidance

**amongst co-workers via cooperation and teamwork being relevant to “mediation/arbitration” procedures}.**

Further, Yadav-Ranjan teaches obtaining and storing information pertaining to the business and financial practices of a contractor, including current projects, statutory compliance, mediation/arbitration procedures and past litigation of a contractor **(Data mined will include Contractor License Data, Lien Data, Business Data pertaining to a Contractor; Bank and/or Financial Institution focus on Engagement Data will be mined for Loan Amount, Engagement Beginning Date, Engagement Ending Date, Prior Relationship with Contractor Permit Number, Permit Pull County Name, Permit pull city name; County Judicial Records Department focus on Contractor Stability will be mined for Judgments against Contractor, Lawsuits against Contractor, Number of Lawsuits, and Number of Judgments) {listing current projects, current engagements, licenses, liens filed, license status and length, legal history; license status reflecting statutory compliance to license regulations for a particular state/county/jurisdiction, etc.; records of the number of lawsuits and judgments involving the contractor reflecting the adoption of an “arbitration procedure” of having decisions made in a court of law by a neutral third party}** [Figure 2, Paragraphs 33-39, 74-75, 100-101, 126-127, 152-155, 159, 161, 163]

Aycock et al. and GuruNet are directed to the analogous art of providing survey means for evaluating the practices of a company, while Yadav-Ranjan evaluates the risk associated with a contractor based on existing practices and procedures. Thus, Aycock et al., GuruNet and Yadav-Ranjan are all directed towards a similar field of endeavor, namely, evaluating the practices of a company. Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the teachings of Aycock et al. to include collected information regarding a contractor's operational structure, marketing of new projects, current projects, details of project execution, and project administration, as taught by GuruNet, and information regarding litigation history, as taught by Yadav-Ranjan, in a comparative report, because doing so would further enhance the ability of Aycock et al. to evaluate the business and financial practices of a potential contractor, thereby yielding a more comprehensive means of evaluating the qualifications of potential contractors for certification, the result of which may be used as a basis for obtaining a line of credit or loan, as intended by Yadav-Ranjan [Paragraph 179].

Further, although the combined teachings of Aycock et al., GuruNet, The Utah Research Handbook, and Nielsen environmental do not explicitly teach the step of using the assessment of a contractor's business and financial practices to secure lines of credit for said contractor's business from a surety institution, Yadav-Ranjan teaches assessing the risk associated with construction contractors to create a risk evaluation score that may be used in obtaining loans from banks and financial institutions, the risk

evaluation score being based upon the business and financial practices of the contractor, as well as current and past litigation **(The Contractor can also use the calculated [Risk Assessment] score [by summing (length-of-license) plus (Cumulative-total-of-engagements) plus (number-of-Notice-of-completions) plus (Number-of-terminations) plus (Current-engagements) plus (Insurance-held divided by Total-value-of-engagement) plus (Company-structure) plus (number-of-employees) plus (years-in-trade) plus (number-of-liens) plus (Number-of-banks-used) plus (Terminations divided by Years-in-Business) plus (Terminations divided by Total-Engagements) plus (Delays divided by Total-Engagements) plus (Number-of-Tax-Liens) plus (Age-of-Contractor) plus (License-Type) plus (License-Status) plus (Repeat Business-with-Bank) plus (Average-size-of-Engagement) plus (Judgments) plus (Judgments-satisfied divided by Total-Number-of-Judgments) plus (Restructure of Company) plus (Number-previous-Licenses-Held) plus (Avg.-Monetary-size-proj.) plus (DB-FICO ratio)) plus Sensitivity Level or Public Trust Risk Level (SL\_PTRL) plus Security Clearance Score (SCC)] to negotiate the interest rate with Banks and Financial Institutions)** [Paragraphs 49, 179].

As per claim 2, although not taught by Aycock et al., GuruNet teaches a contractor certification **(company evaluation)** system with a questionnaire **(list of statements)** composed of non-threatening **(objective)** questions. It would have been obvious to one of ordinary skill in the art at the time of invention to modify the teachings



of Aycock et al. to include the questionnaire featuring non-threatening questions as taught by GuruNet because doing so would enable Aycock et al. to obtain increased participation and cooperation, and further, obtaining honest opinions regarding the information necessary to conduct a proper analysis of a company's practices, thereby providing more reliable and dependent data on which to make an accurate evaluation of the company.

Furthermore, one of ordinary skill in the art would have recognized that applying the known technique of using non-threatening questions in a survey would have yielded predictable results and resulted in an improved system. It would have been recognized that applying the use of non-threatening questions to the surveying means of Aycock et al. and GuruNet would have yielded predictable results because the level of ordinary skill in the art demonstrated by the references applied shows the ability to provide questions that are not intrusive or threatening while remaining effective in gathering needed information. Further, applying non-threatening questions to the surveying means of Aycock et al. and GuruNet would have been recognized by those of ordinary skill in the art as resulting in an improved system that encourages increased participation and solicits honest feedback, increasing the usefulness of data obtained from said surveys.

As per claim 4, Aycock et al. teaches a contractor certification **(supplier evaluation)** system where the on-location **(on-site)** assessments **(evaluations)** comprise job site visits **(on-site audit)** [Column 3, line 36 and Column 8, lines 20-24].

As per claim 5, Aycock et al. teaches a contractor certification **(supplier evaluation)** system where the comparison means comprises an evaluation of the contractor's business practice data against one or more databases containing performance and risk factor data from similar contractors **(existing and historical vendor performance and on-site audit reports)**, stored by the contractor certification **(supplier evaluation)** system [Column 9, lines 38-57].

As per claim 7, the teachings of Aycock et al. fail to disclose the composition of the administered questionnaire. However, GuruNet teaches a series of business evaluation statements that comprises questions directed to organizational aspects with particular reference to management structure **[Retail Questions 42,43,52-59,89]**, authority delegation **[Retail Questions 44-45, Manufacturing Question 92, and Wholesale Questions 40-41]**, and decision-making practices **[Retail Questions 49, Manufacturing Questions 31,and 37, Service Questions 39-40,]**.

As previously noted, both Aycock et al. and GuruNet are directed towards providing surveys to evaluate the practices of an organization and are deemed to be analogous references. Therefore, it would have been obvious to one of ordinary skill in

the art at the time of invention to modify the teachings of Aycock et al. to include questions directed to management structure, authority delegation, and decision-making practices as taught by GuruNet to obtain an understanding of key organizational aspects that impact the daily operations of the company, making it possible to compare practices with the practices of other firms, and further yielding a more comprehensive means of evaluating the qualifications of potential contractors for certification.

As per claim 8, the teachings of Aycock et al. fail to disclose the composition of the administered questionnaire. However, GuruNet teaches a series of business evaluation statements that comprises questions directed to managerial aspects with particular reference to marketing [**Retail Questions 1-4 and 6-13, 114-117, 132, Manufacturing Questions 3,7,9-10,12, 112-114, Wholesale Questions 1-11, 13, 115-117, and Service Questions 2-8, 10-12, and 125-127**], bidding processes [**Question 50 of Retail directed towards purchasing system for inventory management, Question 104 of Manufacturing directed towards a supply and materials procurement system**] and project execution practices [**including, but not limited to Questions 44, 45, 46, 47, 48, 49, 50, 81, 105, etc.**].

As per claim 9, Aycock et al. teaches a contractor certification (**supplier evaluation**) system as recited by claim 5, where the database (**vendor database**) stored comprises a compilation of business and financial and risk data derived from

contractors previously evaluated **(existing and historical vendor performance or on-site audit reports)** [Column 9, lines 38-57].

As per claim 12, neither Aycock et al., GuruNet, The Utah Research Handbook, nor Nielsen Environmental explicitly teaches a contractor certification system as recited by claim 1, wherein said reporting means is provided to lending institutions for determining an amount of credit to extend to said contractor's business.

However, Yadav-Ranjan teaches assessing the risk associated with construction contractors to create a risk evaluation score that may be used in obtaining loans from banks and financial institutions, the risk evaluation score being based upon the business and financial practices of the contractor, as well as current and past litigation **(The Contractor can also use the calculated [Risk Assessment] score [by summing (length-of-license) plus (Cumulative-total-of-engagements) plus (number-of-Notice-of-completions) plus (Number-of-terminations) plus (Current-engagements) plus (Insurance-held divided by Total-value-of-engagement) plus (Company-structure) plus (number-of-employees) plus (years-in-trade) plus (number-of-liens) plus (Number-of-banks-used) plus (Terminations divided by Yeas-in-Business) plus (Terminations divided by Total-Engagements) plus (Delays divided by Total-Engagements) plus (Number-of-Tax-Liens) plus (Age-of-Contractor) plus (License-Type) plus (License-Status) plus (Repeat Business-with-Bank) plus (Average-size-of-Engagement) plus (Judgments) plus**

**(Judgments-satisfied divided by Total-Number-of-Judgments) plus (Restructure of Company) plus (Number-previous-Licenses-Held) plus (Avg.-Monetary-size-proj.) plus (DB-FICO ratio)) plus Sensitivity Level or Public Trust Risk Level (SL\_PTRL) plus Security Clearance Score (SCC)] to negotiate the interest rate with Banks and Financial Institutions) [Paragraphs 49, 179].**

Both Aycock et al. and Yadav-Ranjan are directed towards evaluating contractors based on information directed towards the practices of said contractor, and thus are analogous references. Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the combined teachings of Aycock et al., GuruNet, the Utah Research Handbook, Nielsen Environmental to include the step of providing an analytical report resulting from an administered survey to lending institutions, because the contents of such an analytical report would be a representative summary of a company's overall operations, including financial, credit, organizational capabilities, business plan, history of operations, and management of the company; thus, an analytical report resulting from the administered survey with respect to the risks and capabilities of a company may be used to obtain a line of credit or loan from a bank or financial institution, as taught by Yadav-Ranjan [Paragraph 179].

32. Claims 6, 10, 11 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Aycock et al., GuruNet, The Utah Research Handbook, Nielsen Environmental, and Yadav-Ranjan as applied to claim 1 above, and further in view of

Ana Volpi's "Support Center Practices Certification" (reference 2-U, referred to hereinafter as Volpi).

As per claim 6, the combined teachings of Aycock et al., GuruNet, The Utah Research Handbook, and Nielsen Environmental, are silent regarding (a) sending comparison reports to the contractor and a surety institution, and (b) the use of a special logo or insignia to represent the caliber of a contractor's work or the successful completion of the certification program.

However, Volpi teaches the step of allowing certified companies to use a special logo in marketing and advertising **(Many participants found that certification raised the image of their department through the company and became a marketing tool; Renewal in the SCP program ensures that the company can continue to display the SCP certification logo for its certified support centers)** [Pages 1, 7], as well as providing reports to the contractor **(The audit and benchmarking reports that are provided at the end of the process are highly regarded as valuable maps, identifying areas to improve over the next year and focusing scarce resources on the areas most in need of enhancement; beyond the audit report, which details the extend to which the audited companies have met the stated criteria, participants also receive a benchmarking report. This report discusses how the company stacks up in the technology support marketplace. In contrast to the audit report, the benchmarking report highlights areas where a company may**

**have met audit criteria but falls short compared to the technology support industry) [Pages 1, 6].**

Further, Yadav-Ranjan teaches providing the result of a certification process by a contractor to financial institutions **(The Contractor can also use the calculated [Risk Assessment] score [by summing (length-of-license) plus (Cumulative-total-of-engagements) plus (number-of-Notice-of-completions) plus (Number-of-terminations) plus (Current-engagements) plus (Insurance-held divided by Total-value-of-engagement) plus (Company-structure) plus (number-of-employees) plus (years-in-trade) plus (number-of-liens) plus (Number-of-banks-used) plus (Terminations divided by Yeas-in-Business) plus (Terminations divided by Total-Engagements) plus (Delays divided by Total-Engagements) plus (Number-of-Tax-Liens) plus (Age-of-Contractor) plus (License-Type) plus (License-Status) plus (Repeat Business-with-Bank) plus (Average-size-of-Engagement) plus (Judgments) plus (Judgments-satisfied divided by Total-Number-of-Judgments) plus (Restructure of Company) plus (Number-previous-Licenses-Held) plus (Avg.-Monetary-size-proj.) plus (DB-FICO ratio)) plus Sensitivity Level or Public Trust Risk Level (SL\_PTRL) plus Security Clearance Score (SCC)] to negotiate the interest rate with Banks and Financial Institutions) [Paragraphs 49, 179].**

Both Maldrige and the Aycock-GuruNet-Utah Research Handbook-Nielsen Environmental-Yadav-Ranjan combination are directed towards evaluating the practices

of an organization, and thus are analogous references. Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the combined teachings of Aycock et al., GuruNet, The Utah Research Handbook, Nielsen Environmental and Yadav-Ranjan to permit the use of a special logo or insignia in advertising and marketing representing the caliber of work performed or successful certification, because doing so would enable participants (contractors) to embark in marketing campaigns to publicly display a certification mark in conjunction with its goods and advertisements, the certification mark having discernable value in the marketplace, signifying the quality of the participant's work and the willingness to be an exemplary organization within the industry, thereby enabling participants to be recognized for the quality of work performed, making the public aware of the participant's accomplishments, abilities and strategies/practices, as taught by Volpi.

Further, one of ordinary skill in the art would have recognized that applying the technique of providing evaluation results to a financial institution would have yielded predictable results and resulted in an improved system. It would have been recognized that providing evaluation results to a financial institution would have yielded predictable results because the level of ordinary skill in the art demonstrated by the references applied shows the ability to provide summary reports, and to share results with other parties. Further, applying the step of providing evaluation results to a financial institution to the teachings of Aycock et al. would have been recognized by those of ordinary skill in the art as resulting in an improved system that allows contractors to



utilize the overall risk factor of said contractor based on a comprehensive evaluation process as a basis to obtain loans or a line of credit, as taught by Yadan-Ranjan [Paragraphs 179, 180].

As per claim 10, Aycock et al. teaches a contractor certification **(supplier evaluation)** system as recited by claim 6, where the comparison report **(vendor performance report)** sets forth said contractor's business practices **(vendor performance and on-site audit reports)** with detail sufficient to assist surety institutions engaged in underwriting a contractor's credit line [Column 9, lines 38-57].

Claim 11 recites limitations already addressed by the rejection of claim 6 above; therefore, the same rejection applies.

As per claim 13, neither Aycock et al., GuruNet, The Utah Research Handbook, Nielsen Environmental, nor Yadav-Ranjan explicitly teaches a contractor certification system as recited by claim 1 that is repeated annually.

However, Volpi teaches annual recertification of companies **(IN addition, each year the program criteria have evolved, ensuring that companies that were certified one year still need to make improvements in order to be successfully recertified the next year; Each year, companies must renew their participation in**

**the SCP program... Renewal in the program ensures that the company maintains their status in the program) [Pages 2, 7]**

Therefore, it would have been obvious to one of ordinary skill in the art to modify the combined teachings of Aycock et al., GuruNet, The Utah Research Handbook, Nielsen Environmental and Yadav-Ranjan to repeat the certification system on an annual basis, as taught by Volpi, in order because doing so would enable said combination to providing accurate evaluations of a company's performance that reflect up-to-date changes in evaluation standards that have been rendered obsolete over time, changes in regulations applicable to a company and/or the field of endeavor in which the company conducts business, changes in a business' performance and worth as indicated by financial and business practices, changes in management, or simply to resolve the status of a company's expiring certification, as suggested by Volpi [Page 2].

### ***Conclusion***

33. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Lynette Barnard (provided as reference 1-X) discusses the evaluation and certification of information security by companies against BS 7799. ISO 900, the Trusted Computer System Evaluation Criteria, and the Information Technology Security Evaluation Criteria are evaluation and certification models that are used as a basis for a

model for evaluating information security of an IT environment. The evaluation process is split into two assessment stages, an on-site and off-site evaluation. The operational environment and operational procedures are considered, as well as functionality, effectiveness and correctness. These criteria, incorporated in an evaluation model, would allow an organization to be evaluated and certified as complying to some international information security standard, a certificate providing the necessary proof of adequate information protection to potential business partners.

Surety Canada (previously cited and provided; provided again as reference 1-W) discusses the surety underwriting process for contractors. The surety underwriting process is focused on pre-qualifying the contractor. Before issuing a bond, the surety must be fully satisfied that the contractor is of good character, has the experience that matches the requirements of the projects to be undertaken, and has, or can obtain, the equipment necessary to perform the work. The surety also wants to make sure the contractor has the financial strength to support the desired work program, and will want to see that the contractor is in good standing with a bank and has established a line of credit. The business practice information considered in the underwriting process includes a business plan outlining the type of work done, how jobs are obtained, the geographic areas of operation, growth and profit objectives, a description of some large completed jobs including name, address, contract price, date completed and gross profit earned, evidence of a line of credit, letters of recommendation from owners, architects, and engineers. The financial practice information considered includes balance sheet,

income statement, statement of cash flow, schedules of contracts in progress and contracts completed, a schedule of General and Administrative Expenses, aged schedules of accounts receivable and payable, and work in progress schedule. The information submitted to the surety is subject to review and discussion.

GeoQuest (reference 2-V) received its third consecutive SCP certification in 2001. SCP auditors conducted comprehensive on-site audits. Certified companies through the SCP program must demonstrate their commitment to excellence and high performance standards through annual recertification audits.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to PETER CHOI whose telephone number is (571)272-6971. The examiner can normally be reached on M-F 9-5.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Beth Boswell can be reached on (571) 272-6737. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

August 31, 2008

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